

Press release

10 years of successful offshore wind expansion in Germany - Getting increased expansion volumes off the ground quickly

- **160 turbines at sea with a capacity of 1,111 MW with first-time electricity feed-in in 2019, 1,469 turbines with a total capacity of 7,516 MW connected to the grid - offshore wind energy is becoming increasingly cost-effective and delivers the usual reliable high electricity volumes**
- **Increase the expansion target for offshore wind energy to at least 20 GW by 2030 - Implement quickly - Long-term expansion planning to 2035 (30 - 35 GW) and 2050**
- **Free capacities of up to 2 GW need to be allocated as quickly as possible to cushion the consequences of the expansion gap**
- **EU level: 450 GW offshore wind capacity planned by 2050 - technology from Germany as an export hit**
- **Strong domestic market is crucial for maintaining and expanding value creation and jobs in Germany and for remaining innovative**

Berlin, 23 January 2020 - Today in Berlin, the German offshore wind industry presented the expansion figures for offshore wind energy in 2019. According to these figures, 160 turbines with a capacity of 1,111 MW were connected to the grid for the first time last year. This means that a total of 1,469 offshore wind turbines with a capacity of 7,516 MW will feed electricity into the grid. "At the beginning of offshore development in Germany in 2010, only 12 turbines with a capacity of 60 MW supplied clean electricity from the 'alpha ventus' test field. Ten years later, there are around 1,500 turbines with a capacity of over 7.5 GW. Electricity from offshore wind energy is cost-efficient, consistently reliable and competitive. Offshore wind energy has developed from Germany into an international success story," the industry representatives commented on the figures. "This makes the increase in the expansion targets for offshore wind energy decided by the Federal Government all the more important. The industry has long been calling for an expansion to at least 20 GW by 2030 and an expansion path that goes beyond that. To achieve this, the federal government must quickly create the legal basis and, in the first step, allocate free capacities of up to 2 GW to cushion the consequences of the expansion gap for the domestic industry. Only in this way can the domestic supply chain be maintained and earlier successes, such as the 2 GW expansion in 2015, be achieved again.

The industry representatives of BWE, BWO, Stiftung OFFSHORE-WINDENERGIE, VDMA Power Systems and WAB further explained: "Any further loss of time leads to additional job losses and endangers the international competitiveness of German companies. The know-how acquired in the offshore wind industry over the last decade is an important competitive

edge in international competition that must be maintained. We still need a strong domestic market in order to remain successful in the constantly growing world market."

Creating long-term planning security for the expansion of renewable energies beyond 2030

Due to the long project cycles of offshore wind farms, long-term planning security is of great importance, so that the expansion of offshore wind energy up to 2035 and 2050 must be planned now, the industry representatives explained. Otherwise, there is a risk of bottlenecks and time distortions. However, the expansion paths for all renewable energy technologies would have to be reviewed in view of rising electricity requirements and the framework conditions adjusted accordingly. After the clarity of the phase-out of coal-fired power, we need an ambitious expansion of renewables to replace the missing electricity. According to industry representatives, offshore wind capacity of 30-35 GW will be required by 2035, and this will have to rise to over 50 GW by 2050.

Use EU Council Presidency and Presidency of the North Sea Cooperation for intensified and coordinated offshore wind development in Germany and Europe

Without high expansion volumes, the national and international climate targets could not be achieved. "With appropriate signals, Germany can present itself as a credible pioneer in climate protection, also against the background of its EU Council Presidency this year. Initiatives for a stronger networking of the North Sea countries in a joint offshore grid planning would also contribute to this", said the industry representatives. "The importance of large-scale coordinated offshore wind development in Europe has also been highlighted by the European Commission with its policy approach of the European Green Deal. For example, the EU considers it necessary to expand offshore wind energy to 450 GW by 2050 in order to achieve climate neutrality within the EU by 2050.

Germany should also promote these issues during its current chairmanship of the North Seas Energy Cooperation. The cooperation aims to promote the coordinated expansion of offshore wind in Europe in order to achieve cost advantages and energy efficiency gains.

Further promote grid expansion and grid utilisation as well as sector coupling and adapt the support system accordingly

In the area of network planning, onshore network expansion measures should be accelerated and all possibilities for better utilisation of existing networks should be exploited. In addition, regulatory hurdles in the area of the use of green electricity for sector coupling had to be removed. For this purpose, changes in the levy and allocation system in particular are necessary, the industry representatives said.

There must also be a further development of the support system in the near future. For example, according to the current legal situation, the zero-cent bids of the last tender round are the maximum price of all future tenders. This means that there is no possibility of differentiating future bids. In addition, the economic viability of some parks is no longer assured due to various factors, such as the increasing distance to the mainland. The necessary reform of the subsidy system would relieve electricity consumers in the high three-digit million range.

Using offshore wind energy for national hydrogen strategy

The industry also believes that an effective CO₂ price is necessary with the aim of making the actual cost advantages of climate-neutral generation capacities visible. The initiated CO₂

pricing in the transport and heating sectors is therefore a first important step towards creating a market for "green" hydrogen generated by renewable electricity. Offshore wind energy can significantly support the German government's national hydrogen strategy.

About the annual figures "Status of offshore wind energy expansion in Germany"

In the analysis of Deutsche WindGuard, the development figures for offshore wind energy have been collected separately from those for onshore wind energy since 2012. The clients are the Bundesverband Wind-Energie (BWE), the Bundesverband der Windparkbetreiber Offshore e.V., the Stiftung Offshore-Windenergie, VDMA Power Systems and WAB e.V.

About Bundesverband Windenergie e.V.

BWE, a member of Bundesverband Erneuerbare Energie [German Renewable Energy Federation (BEE)] with more than 20,000 members, represents the entire industry. Members of BWE include the mechanical engineering industry's suppliers and manufacturers; project developers; specialist jurists; the financial sector; companies from the fields of logistics, construction, service/maintenance and storage technology; electricity traders; network operators; and energy suppliers. As a result, BWE is the primary contact for politics and business, science and the media.

About Bundesverband der Windparkbetreiber Offshore e.V.

The association of German offshore wind farm operators (BWO) represents all companies that plan, construct and operate offshore wind farms in Germany. The BWO is the central contact for representatives from politics and authorities at federal level on all questions concerning offshore wind energy.

About Stiftung OFFSHORE-WINDENERGIE

The German Offshore Wind Energy Foundation (Stiftung der deutschen Wirtschaft zur Nutzung und Erforschung der Windenergie auf See) was founded in 2005 on the initiative of the Federal Ministry of the Environment, Nature Conservation and Nuclear Safety (BMU). The foundation's objective is to ensure the integration of offshore wind energy in the future energy mix of Germany and Europe and to promote its expansion in the interest of environmental and climate protection.

About VDMA Power Systems

VDMA Power Systems is a division of the non-profit German Engineering Federation (VDMA). The association represents the interests of manufacturers of wind turbines and hydroelectric plants, fuel cells, gas/steam turbines and plants and engine systems at home and abroad. VDMA Power Systems serves them all as an information and communication platform for all industry issues, such as energy policy, energy policy, legislation, market analyses, trade fairs, standardisation, and press and public relations.

About WAB

WAB is the voice of Germany's offshore wind industry and the onshore wind energy network in the Northwest region. WAB represents some 250 businesses and institutes active in all value-creation stages of the onshore and offshore wind energy sector, from manufacturers, planners, investors and municipal utilities, to power companies as operators of large wind farms on land and at sea. Shipping companies, experts in logistics, and port authorities, all working in the maritime industry and essential for the development of wind energy at sea, are also members of WAB.

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